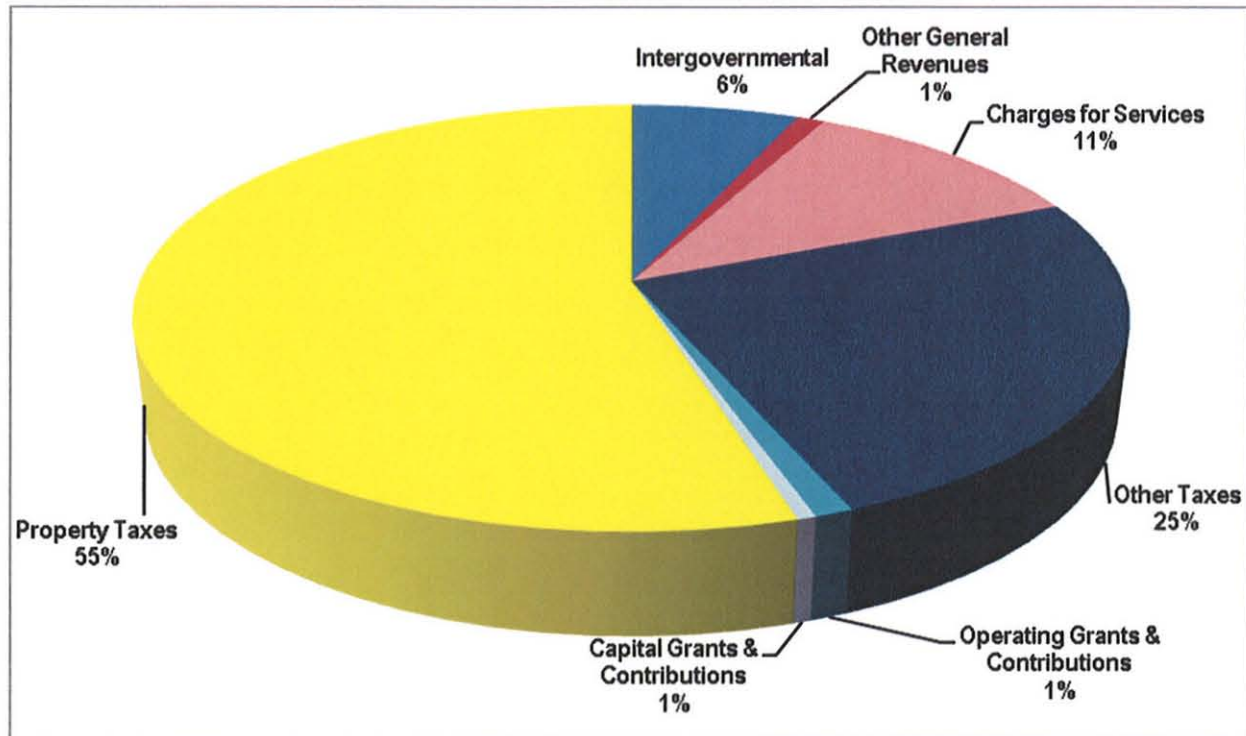


VILLAGE OF BROADVIEW

MANAGEMENT'S DISCUSSION AND ANALYSIS April 30, 2010

Governmental Activities

Revenue Sources – Governmental Activities



Revenues

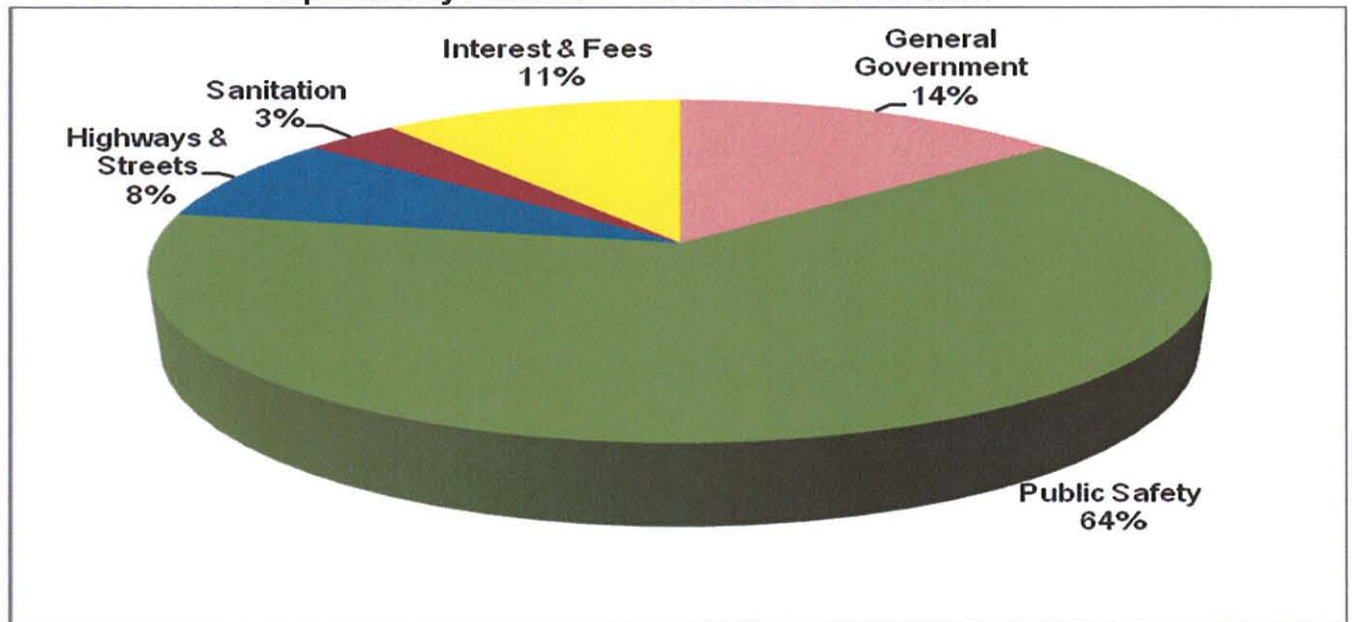
A graphic summary of the FY 2010 Governmental Activities revenues by category for the Village of Broadview is shown above. Property Taxes and Other Taxes accounted for a combined 80% of the Village's revenue sources used to fund governmental activities. Annual receipts from property taxes increased \$0.7 million, or 7.4% over the prior year. Collections of fees charged for program services increased by \$0.3 million, or 16.7% over the prior year. However, these increases were completely absorbed by decreases in Other Taxes, which include sales taxes, utility taxes, local use taxes and cablevision taxes (down \$0.6 million), Intergovernmental funding (down \$0.2 million), and other general revenues (down \$0.3 million), as compared to the prior year. Current year collections in Operating Grants and Capital Grants were flat with FY2009 revenue levels. Resultantly the total revenues from governmental activities decreased \$0.1 million or -0.5% versus prior year.

Operating revenues of the Village's business type activities (not shown as part of graph) decreased by 10.3% versus the prior year, primarily due to lower consumption by its governmental customers. The village's last increase to water or sewer rates was in February 2008. Sales of water (revenues) can be affected by climate, at times, with warmer and drier summers bringing higher demand.

VILLAGE OF BROADVIEW

MANAGEMENT'S DISCUSSION AND ANALYSIS April 30, 2010

Expenses by Function – Governmental Activities



The chart as shown above graphically depicts the major expense categories of the Village of Broadview. The public safety category which includes the Law Enforcement, Fire and Emergency and Building Departments is substantially tax supported while their program charges cover approximately 16% of their expenses.

Operating expenses of the business type activities of the Village that includes the Water and Sewerage Department (not shown as part of graph) decreased by \$0.5 million or 23.8% from the prior year, due to lower costs paid in contractual services and capital outlay related to supply line maintenance and lower volume of water supply consumption.

Financial Analysis of the Village's Funds

As of the end of the current fiscal year, the Village of Broadview's governmental funds reported a combined (major & non major) ending fund balance of \$21.1 million, an increase of \$1.4 million over fiscal year 2009. A significant portion of the net increase was attributable to two major funds, 22nd / 17th (Village Square) TIF Redevelopment Fund, which had an excess of revenues over expenditures of \$1.3 million and the Roosevelt Road TIF Redevelopment Fund, which had excess revenues over expenditures of \$1.0 million. The remaining funds generated a net decrease (\$0.9 million).

Other Financing Sources and Uses

Due to an operational deficit in the IMRF fund, an operating transfer of approximately \$0.1 million was made from the General Corporate Fund to cover the operating deficit.

VILLAGE OF BROADVIEW

MANAGEMENT'S DISCUSSION AND ANALYSIS April 30, 2010

General Fund Budgetary Highlights

The Village's budget for the General Fund anticipated that revenues would exceed expenditures by \$0.1 million, and that after other financing sources (uses) there would be no net change to the fund balance. The actual result for the year, however, was a deficit of \$1.0 million, representing an unfavorable budget variance of \$1.0 million above the overall planned revenue and spending activity.

Annual revenues fell short of the budgeted amount by approximately \$0.4 million, or 4.0%. The unfavorable variance was primarily due to declines in expected tax receipts within most of the Village's tax revenue categories.

The actual General Fund expenditures of \$11.7 million were \$0.6 million above the total budget expenditures. The unfavorable budget variance was primarily experienced by the Executive department, which incurred significant professional and legal expenses associated with transitional activities resulting from a change in the elected administration.

For additional Details, please see the Budgetary Comparison Schedules for the General Fund in this report.

Capital Assets and Debt Administration

Capital assets

The Village of Broadview's investment in capital assets for its governmental and business type activities as of April 30, 2010 was \$13.6 million (net of accumulated depreciation of \$14.5 million). This investment in capital assets includes land, land for resale, buildings and improvements, distribution systems, vehicles, furniture and equipment and infrastructure. During the current fiscal year, there was very little activity in the purchasing of capital assets due to limited resources. More detailed information about capital assets can be found in Note III C. of the basic financial statements.

Table 3
Capital Assets (net of depreciation)
(in millions of dollars)

	<u>Governmental Activities</u>			<u>Business-Type Activities</u>			<u>Total</u>		
	<u>2010</u>	<u>2009</u>	<u>Change</u>	<u>2010</u>	<u>2009</u>	<u>Change</u>	<u>2010</u>	<u>2009</u>	<u>Change</u>
Land	\$ 1.5	\$ 1.5	-%	\$ 0.1	\$ 0.1	-%	\$ 1.6	\$ 1.6	-%
Buildings	2.2	2.3	(4.3)%	-	-	-%	2.2	2.3	(4.3)%
Vehicles	0.8	0.9	(11.1)%	-	-	-%	0.8	0.9	(11.1)%
Equipment	0.2	0.2	-%	0.3	0.3	-%	0.5	0.5	-%
Infrastructure	3.9	4.0	(2.5)%	4.6	4.4	4.5%	8.5	8.4	1.2%
Total	<u>\$ 8.6</u>	<u>\$ 8.9</u>	<u>(3.4)%</u>	<u>\$ 5.0</u>	<u>\$ 4.8</u>	<u>4.2%</u>	<u>\$ 13.6</u>	<u>\$ 13.7</u>	<u>(0.7)%</u>

Debt Administration

At year end, the Village had total outstanding long term debt of \$33.8 million, as compared to \$36.8 million of the previous year. More detailed information about debt administration can be found in Note III E. of the basic financial statements.

VILLAGE OF BROADVIEW

MANAGEMENT'S DISCUSSION AND ANALYSIS April 30, 2010

Table 4
Long-Term Debt
(in millions of dollars)

	<u>Governmental Activities</u>			<u>Business-Type Activities</u>			<u>Total</u>		
	2010	2009	Change	2010	2009	Change	2010	2009	Change
TIF Related Bonds	\$ 21.1	\$ 23.3	(9.4)%	\$ -	\$ -	-%	\$ 21.1	\$ 23.3	(9.4)%
Bonds	11.7	12.7	(7.9)%	-	-	-%	11.7	12.7	(7.9)%
Other	0.8	0.5	60.0%	0.2	0.3	(33.3)%	1.0	0.8	25.0%
Total	\$ 33.6	\$ 36.5	(7.9)%	\$ 0.2	\$ 0.3	(33.3)%	\$ 33.8	\$ 36.8	(8.2)%

Factors Bearing on the Village's Future

The Village of Broadview's financial condition continues to be a delicate balancing act. With the ever-increasing demand for services during a terrible economic climate resulting in declining revenues, the Corporate Fund's deficit balance position has grown. The goal of achieving a reasonable degree of financial stability is an ongoing process that will take years of continued fiscal restraints on spending to conserve limited resources yet balancing the needs of the community with the ever present need to enhance revenue streams to meet continual demands.

The old Target store located in the Broadview Village Square (22nd & 17th Ave TIF redevelopment area) shopping center, a 125,000 square-foot building was sold in August 2007 to Granite Realty Partners of Oak Park, Illinois. The new owner has secured two new occupants, each set to rent approximately 50% of the vacated Target store space. LA Fitness athletic center opened in September 2010 and Ashley Furniture store is schedule to open in March 2011.

The Village Board of Trustees approved a new Tax Increment Financing (TIF) District redevelopment plan for 17th Avenue North of Roosevelt Road in September 2007. The Village has been seeking a developer for the Village owned property along 17th Avenue. Previous negotiations for a townhome development ended unsuccessfully, after the developer and the Village could not agree on project financing. However, the Village plans to solicit proposals from multiple developers in the next fiscal year.

Roosevelt Road TIF Redevelopment Area

A Dunkin Donuts / Baskin Robbins with drive-thru facilities has been completed and is now in operation at 1940 Roosevelt Road. The Village entered into a redevelopment agreement with the owner to rebate actual TIF increment from the redevelopment and the Village share of sales tax up to a target amount.

The Village of Broadview has begun the design and engineering phase of a major streetscape improvement project along most of Roosevelt Road. Improvement will include the widening of parking lanes and the replacement of street lighting, sidewalks, and pedestrian crossways. The construction activities are anticipated to be completed in 2013.

The Village Board of Trustees approved a new Tax Increment Financing (TIF) District redevelopment plan for 19th Street, south of Roosevelt Road on 17th Avenue in May 2008. In the February 2010, Chase Bank, completed construction of a branch office facility and opened for business. The Village is currently soliciting developers to redevelop a site within the TIF district that was formerly occupied by the Broadview bowling alley.

VILLAGE OF BROADVIEW

MANAGEMENT'S DISCUSSION AND ANALYSIS

April 30, 2010

Requests for Information

This financial report is designed to provide the Village's citizens, taxpayers, and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. If you have questions about this report, need additional financial information, or would like a copy of the financial statements for the Police Pension Fund or Firefighters' Pension Fund, contact the Village hall:

Jan Baptist, Finance Director
Village of Broadview
2350 South 25th Street
Broadview, Illinois

VILLAGE OF BROADVIEW

STATEMENT OF NET ASSETS April 30, 2010

	Governmental Activities	Business- Type Activities	Totals
ASSETS			
Cash and investments	\$ 9,095,896	\$ 2,090,701	\$ 11,186,597
Receivables (net of allowance)			
Property taxes	5,125,403	-	5,125,403
Intergovernmental	1,215,702	-	1,215,702
Accounts	50,750	162,728	213,478
Other	586,826	-	586,826
Restricted cash and investments	13,119,946	-	13,119,946
Prepaid items	287,349	-	287,349
Issuance costs	259,938	-	259,938
Property held for resale	2,805,541	-	2,805,541
Capital assets			
Land	1,491,927	68,195	1,560,122
Infrastructure	8,433,934	9,114,400	17,548,334
Buildings	4,070,000	16,885	4,086,885
Machinery and equipment	921,149	635,700	1,556,849
Vehicles	3,230,366	-	3,230,366
Less accumulated depreciation	<u>(9,586,476)</u>	<u>(4,877,616)</u>	<u>(14,464,092)</u>
Total Assets	<u>41,108,251</u>	<u>7,210,993</u>	<u>48,319,244</u>
LIABILITIES			
Accounts payable	651,121	140,731	791,852
Accrued payroll	17,423	-	17,423
Other liabilities	68,948	-	68,948
Accrued interest payable	573,085	5,613	578,698
Unearned revenue	5,054,185	-	5,054,185
Firefighters' pension fund payable	995,417	-	995,417
Police pension fund payable	865,886	-	865,886
Due to agency fund	300,000	-	300,000
Noncurrent liabilities			
Due within one year	4,342,585	86,302	4,428,887
Due in more than one year	<u>29,310,348</u>	<u>89,429</u>	<u>29,399,777</u>
Total Liabilities	<u>42,178,998</u>	<u>322,075</u>	<u>42,501,073</u>
NET ASSETS			
Invested in capital assets, net of related debt	4,918,751	4,781,833	9,700,584
Restricted for			
Streets and highways	605,288	-	605,288
Economic Development	3,584,784	-	3,584,784
Unrestricted (deficit)	<u>(10,179,570)</u>	<u>2,107,085</u>	<u>(8,072,485)</u>
TOTAL NET ASSETS	<u>\$ (1,070,747)</u>	<u>\$ 6,888,918</u>	<u>\$ 5,818,171</u>

See accompanying notes to financial statements.

VILLAGE OF BROADVIEW

STATEMENT OF ACTIVITIES For the Year Ended April 30, 2010

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General government	\$ 2,132,589	\$ 298,568	\$ 5,200	\$ -
Public safety	9,475,906	1,144,665	10,911	-
Highways and streets	1,226,561	213,374	208,559	87,000
Sanitation	438,820	448,549	-	-
Interest and fiscal charges	1,615,152	-	-	-
Total Governmental Activities	<u>14,889,028</u>	<u>2,105,156</u>	<u>224,670</u>	<u>87,000</u>
Business-type activities				
Water and sewerage	<u>1,601,626</u>	<u>2,633,100</u>	<u>-</u>	<u>-</u>
Total Business-type Activities	<u>1,601,626</u>	<u>2,633,100</u>	<u>-</u>	<u>-</u>
 Total	 \$ <u>16,490,654</u>	 \$ <u>4,738,256</u>	 \$ <u>224,670</u>	 \$ <u>87,000</u>

General Revenues
 Property taxes
 Other taxes
 Sales taxes
 Local use taxes
 Utility taxes
 Other taxes
 Intergovernmental
 Intergovernmental
 State income tax
 Personal property replacement tax
 Investment income
 Miscellaneous

Total General Revenues

Change in net assets

NET ASSETS (Deficit) - Beginning of Year

NET ASSETS (DEFICIT) - END OF YEAR

Net (Expenses) Revenues and Changes in Net Assets

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Totals</u>
\$ (1,828,821)	\$ -	\$ (1,828,821)
(8,320,330)	-	(8,320,330)
(717,628)	-	(717,628)
9,729	-	9,729
<u>(1,615,152)</u>	<u>-</u>	<u>(1,615,152)</u>
<u>(12,472,202)</u>	<u>-</u>	<u>(12,472,202)</u>
<u>-</u>	<u>1,031,474</u>	<u>1,031,474</u>
<u>-</u>	<u>1,031,474</u>	<u>1,031,474</u>
<u>(12,472,202)</u>	<u>1,031,474</u>	<u>(11,440,728)</u>
10,171,403	-	10,171,403
3,226,677	-	3,226,677
98,277	-	98,277
1,313,204	-	1,313,204
78,894	-	78,894
2,280	-	2,280
637,375	-	637,375
548,514	-	548,514
66,317	3,774	70,091
<u>165,239</u>	<u>-</u>	<u>165,239</u>
<u>16,308,180</u>	<u>3,774</u>	<u>16,311,954</u>
3,835,978	1,035,248	4,871,226
<u>(4,906,725)</u>	<u>5,853,670</u>	<u>946,945</u>
<u>\$ (1,070,747)</u>	<u>\$ 6,888,918</u>	<u>\$ 5,818,171</u>

See accompanying notes to financial statements.

VILLAGE OF BROADVIEW

BALANCE SHEET GOVERNMENTAL FUNDS April 30, 2010

	General	22nd and 17th Avenue TIF Redevelopment Fund	Roosevelt Road TIF
ASSETS			
Cash and investments	\$ 3,106,072	\$ 38,776	\$ 3,570,441
Receivables (net of allowance)			
Property taxes	2,273,075	1,745,534	558,716
Intergovernmental	1,197,776	-	-
Accounts	-	-	-
Other	586,826	-	-
Restricted cash and investments	-	12,255,365	-
Due from other funds	91,159	-	-
Prepaid items	287,349	-	-
Advances to other funds	<u>48,808</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 7,591,065</u>	<u>\$ 14,039,675</u>	<u>\$ 4,129,157</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 282,344	\$ 641	\$ 495
Accrued payroll	17,423	-	-
Other liabilities	68,948	-	-
Firefighters' pension fund payable	995,417	-	-
Police pension fund payable	865,886	-	-
Due to other funds	-	-	-
Deferred revenues	2,646,270	1,745,534	558,716
Advances from other funds	<u>5,600,000</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>10,476,288</u>	<u>1,746,175</u>	<u>559,211</u>
Fund Balances			
Reserved			
Reserved for prepaid items	287,349	-	-
Reserved for debt service	-	12,255,365	-
Reserved for advances to other funds	48,808	-	-
Unreserved, undesignated, reported in:			
General fund (deficit)	(3,221,380)	-	-
Special revenue funds	-	38,135	3,569,946
Debt service funds	-	-	-
Capital projects funds	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances (deficit)	<u>(2,885,223)</u>	<u>12,293,500</u>	<u>3,569,946</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 7,591,065</u>	<u>\$ 14,039,675</u>	<u>\$ 4,129,157</u>

See accompanying notes to financial statements.

Capital Projects	Debt Service	Nonmajor Governmental Funds	Totals
\$ 455,069	\$ 532,551	\$ 1,392,987	\$ 9,095,896
-	392,469	155,609	5,125,403
-	-	17,926	1,215,702
-	-	50,750	50,750
-	-	-	586,826
864,581	-	-	13,119,946
-	-	-	91,159
-	-	-	287,349
<u>5,300,000</u>	<u>-</u>	<u>-</u>	<u>5,348,808</u>
<u>\$ 6,619,650</u>	<u>\$ 925,020</u>	<u>\$ 1,617,272</u>	<u>\$ 34,921,839</u>

\$ 700	\$ -	\$ 366,941	\$ 651,121
-	-	-	17,423
-	-	-	68,948
-	-	-	995,417
-	-	-	865,886
-	-	91,159	91,159
-	377,933	152,991	5,481,444
-	-	48,808	5,648,808
<u>700</u>	<u>377,933</u>	<u>659,899</u>	<u>13,820,206</u>

-	-	-	287,349
864,581	-	-	13,119,946
5,300,000	-	-	5,348,808
-	-	-	(3,221,380)
-	-	957,373	4,565,454
-	547,087	-	547,087
<u>454,369</u>	<u>-</u>	<u>-</u>	<u>454,369</u>
<u>6,618,950</u>	<u>547,087</u>	<u>957,373</u>	<u>21,101,633</u>
<u>\$ 6,619,650</u>	<u>\$ 925,020</u>	<u>\$ 1,617,272</u>	<u>\$ 34,921,839</u>

See accompanying notes to financial statements.

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VILLAGE OF BROADVIEW

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET ASSETS April 30, 2010

Total Fund Balances - Governmental Funds	\$ 21,101,633
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Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental funds are not financial resources and therefore, are not reported in the funds. See Note III C.	8,560,900
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Some receivables that are not currently available are reported as deferred revenues in the fund financial statements but are recognized as revenue when earned in the government-wide statements.	427,259
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Property held for resale in the governmental fund are not current financial resources and therefore, are not reported in the fund financial statements.	2,805,541
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Some liabilities, including long-term debt, are not due and payable in the current period, and therefore, are not reported in the funds.

Bonds and notes payable	(32,849,282)
Compensated absences	(341,953)
Accrued interest	(573,085)
Unamortized debt discount, premium, and issuance costs	174,628
Net OPEB Obligation	(112,629)
Net Pension Obligation	<u>(263,759)</u>

NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u>\$ (1,070,747)</u>
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See accompanying notes to financial statements.

VILLAGE OF BROADVIEW

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS For the Year Ended April 30, 2010

	General	22nd and 17th Avenue TIF Redevelopment Fund	Roosevelt Road TIF
REVENUES			
Property taxes	\$ 3,743,274	\$ 4,119,452	\$ 984,673
Other taxes	4,153,869	550,000	-
Intergovernmental	1,218,880	-	-
Licenses and permits	573,921	-	-
Investment income	7,481	11,581	7,197
Charges for services	737,002	-	-
Fines, forfeitures and penalties	168,946	-	-
Miscellaneous	164,887	-	-
Total Revenues	<u>10,768,260</u>	<u>4,681,033</u>	<u>991,870</u>
EXPENDITURES			
Current			
General government	1,558,709	9,341	31,768
Public safety	8,679,770	-	-
Streets	887,531	-	-
Sanitation	-	-	-
Employee benefits	-	-	-
Debt Service			
Debt service - principal	355,000	2,190,000	-
Debt service - interest and fees	149,085	1,173,430	-
Cost of issuance	-	-	-
Capital outlay	29,736	-	-
Total Expenditures	<u>11,659,831</u>	<u>3,372,771</u>	<u>31,768</u>
Excess (deficiency) of revenues over expenditures, before other financing sources and (uses)	<u>(891,571)</u>	<u>1,308,262</u>	<u>960,102</u>
OTHER FINANCING SOURCES (USES)			
Bonds issued	-	-	-
Sale of capital assets	5,200	-	-
Transfers in	-	-	-
Transfers (out)	(115,360)	-	-
Total Other Financing Sources (Uses)	<u>(110,160)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(1,001,731)	1,308,262	960,102
FUND BALANCES - Beginning of Year (Deficit)	<u>(1,883,492)</u>	<u>10,985,238</u>	<u>2,609,844</u>
FUND BALANCES - END OF YEAR (DEFICIT)	<u>\$ (2,885,223)</u>	<u>\$ 12,293,500</u>	<u>\$ 3,569,946</u>

See accompanying notes to financial statements.

Capital Projects	Debt Service	Nonmajor Governmental Funds	Totals
\$ -	\$ 941,869	\$ 382,135	\$ 10,171,403
-	-	-	4,703,869
-	-	295,559	1,514,439
-	-	-	573,921
1,079	35,926	3,053	66,317
-	-	582,636	1,319,638
-	-	10,786	179,732
<u>31,400</u>	<u>-</u>	<u>-</u>	<u>196,287</u>
<u>32,479</u>	<u>977,795</u>	<u>1,274,169</u>	<u>18,725,606</u>
65,381	-	140,585	1,805,784
-	-	207,500	8,887,270
-	-	87,000	974,531
-	-	438,820	438,820
-	-	258,123	258,123
-	1,555,000	-	4,100,000
-	383,511	-	1,706,026
-	22,200	-	22,200
-	-	-	29,736
<u>65,381</u>	<u>1,960,711</u>	<u>1,132,028</u>	<u>18,222,490</u>
<u>(32,902)</u>	<u>(982,916)</u>	<u>142,141</u>	<u>503,116</u>
-	870,000	-	870,000
-	-	-	5,200
-	190,045	115,360	305,405
-	-	(190,045)	(305,405)
<u>-</u>	<u>1,060,045</u>	<u>(74,685)</u>	<u>875,200</u>
(32,902)	77,129	67,456	1,378,316
<u>6,651,852</u>	<u>469,958</u>	<u>889,917</u>	<u>19,723,317</u>
\$ <u>6,618,950</u>	\$ <u>547,087</u>	\$ <u>957,373</u>	\$ <u>21,101,633</u>

See accompanying notes to financial statements.

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